

## Message Text

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67

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-01 INR-05 L-02

NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 AID-05 COME-00 EB-07 FRB-01 TRSE-00 XMB-02

OPIC-03 CIEP-01 LAB-04 SIL-01 OMB-01 FEA-01 OES-03

/082 W

----- 055590

R 022205Z DEC 74

FM AMEMBASSY QUITO

TO SECSTATE WASHDC 3536

INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 8197

E.O. 11652: GDS

TAGS: PFOR, EINV, EC

SUBJ: TEXACO-GULF PROBLEMS

REF: QUITO 7645

1. I HAD AN OPPORTUNITY EVENING OF NOVEMBER 30 TO SPEAK BRIEFLY WITH MIKE MARTINEZ, ECUADOREAN TEXACO MANAGER. TEXACO REPRESENTATIVES, NEVER TERRIBLY FORTHCOMING IN THE PAST, HAVE BEEN PERHAPS UNDERSTANDABLY SOMEWHAT RETICENT IN RECENT DAYS SINCE THE ADA FLAP TO VOLUNTEER INFORMATION ON THE STATUS OF THEIR RELATIONSHIP WITH THE GOE. WE HAVE NOT BEEN PRESSING THEM.

2. ON THIS OCCASION, HOWEVER, MARTINEZ WAS FORTHCOMING AND REFLECTED CONSIDERABLE OPTIMISM. WITH RESPECT TO TEXACO/GULF'S FINANCIAL PROBLEMS WITH THE GOE, SPECIFICALLY THE GOE'S LACK OF PAYMENTS RELATED TO ITS 25 PERCENT OWNERSHIP OF TEXACO/GULF, HE SAID THAT THINGS HAD TAKEN A DECIDEDLY BETTER TURN. THE GOE HAD ON NOVEMBER 19 PAID A 25 MILLION SUCRES CASH CALL, ON NOVEMBER 21 HAD PAID 46 MILLION  
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SUCRES ON THE INTERNAL SALES ACCOUNT, AND ON NOVEMBER 27

HAD PAID AN ADDITIONAL 25 MILLION SUCRES TOWARD PAST CASH CALLS. MARTINEZ BELIEVES THE NEW CREW IN THE MINISTRY OF NATURAL RESOURCES IS MAKING A REAL EFFORT TO STRAIGHTEN OUT THE MESS THEY INHERITED.

3. WITH RESPECT TO THE BROADER PROBLEM OF THE PRICING OF ECUADOREAN CRUDE, MARTINEZ SAID HE EXPECTS NO DEVELOPMENTS ON THIS UNTIL AFTER THE OPEC MEETING.  
BREWSTER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, NATIONALIZATION, COMPENSATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 DEC 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** izenbei0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Reference:** QUITO 7645  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** izenbei0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16 SEP 2002 by cunninfx>; APPROVED <13 MAR 2003 by izenbei0>  
**Review Markings:**

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EO Systematic Review  
30 JUN 2005

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**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TEXACO-GULF PROBLEMS  
**TAGS:** PFOR, EINV, EC, TEXACO, GULF  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005